



NEWS RELEASE

GOVERNOR'S COMMUNICATIONS OFFICE

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BREDESEN ANNOUNCES HEALTH PLANS FOR COVERTN PARTNERSHIP PROGRAM CREATES HEALTH INSURANCE ACCESS FOR WORKING UNINSURED

NASHVILLE, Tenn. - Governor Phil Bredesen today announced the insurance companies selected to partner with the state and small business employers to provide affordable health care insurance for low-income working Tennesseans. CoverTN will offer participants two options featuring separate benefit packages.

Of the five original proposals, the contracts were awarded to Blue Cross Blue Shield Plan B and Blue Cross Blue Shield Plan A. These plans received the two highest scores in a blind competitive bid process. Each plan offers low-cost health insurance to cover basic health services, with an emphasis on primary and preventative care.

"I am very pleased with the results here. These plans offer real value to working Tennesseans who lack access to health insurance," said Governor Phil Bredesen. "We bid this out in the private marketplace and allowed competition, creativity and market knowledge to design the benefit packages - and it worked beyond our expectations."

The state issued a list of required covered services and maximum co-payments to be included in CoverTN and challenged the insurance industry to design specific benefit packages. The state included strong prequalification requirements to allow only established companies with financial strength and management experience to participate. Having separate contracts ensures a competitive environment that will drive creativity and market knowledge to benefit participants and the state. Five proposals were received from four companies: BlueCross BlueShield of Tennessee, United Healthcare, Aetna and Cigna.

Unlike other low-cost health insurance programs, CoverTN will not charge a high front end deductible. Instead, there are no deductibles and co-payments are capped to ensure immediate access to covered services. The program will cost individuals between \$34 and \$99 per month. Premiums will vary depending on age, tobacco use and obesity and will be shared between the individual, the small employer and the state.

"We were extremely pleased with the response we received from the insurance industry, and their willingness to assume a financial stake in this effort," said Finance & Administration Commissioner Dave Goetz, whose department evaluated the proposals. "Their endorsement confirms our effort toward a sensible market-driven approach to provide affordable options to those who cannot afford to buy insurance today."

Governor Bredesen outlined a voluntary, multi-pronged effort, called Cover Tennessee, in March of this year that will extend health insurance to uninsured individuals in Tennessee, with CoverTN as the centerpiece of the initiative. Comprehensive coverage for children will be provided through CoverKids, and chronically ill adults will be covered through AccessTN, a high-risk pool. The Cover Tennessee effort includes a series of initiatives that target the growing prevalence of diabetes through ProjectDiabetes and focuses on improved lifestyle choices through GetFitTN. The General Assembly overwhelmingly approved the Cover Tennessee programs this summer.

The state expects to sign a three-year contract with each company by January 15, 2007, with enrollment to begin early next year. For more information about CoverTN or any of the Cover Tennessee programs, visit www.covertn.gov.

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	CoverTN			
	Summary of Plans			
	19-Dec-06			
Services	BCBS TN InReach Plan A		BCBS TN InReach Plan B	
Pre-existing Condition Requirement	6-month period prior to enrollment/ 12-month waiting period after enrollment		6-month period prior to enrollment/ 12-month waiting period after enrollment	
Annual Deductible/Co-insurance	None		None	
	Co-pay*	Benefits	Co-pay*	Benefits
Physician Services				
<i>Inpatient Surgery</i>				
Primary Surgeon	None	Inpatient stay must be covered	None	Inpatient stay must be covered
Anesthesia	None	Inpatient stay must be covered	None	Inpatient stay must be covered
<i>Outpatient Surgery</i>				
OP Hospital	None	Outpatient visit limit if 1 surgical visit per calendar year	None	Subject to outpatient visit limit of 1 surgical visit per calendar year
Surgical Center	None	Outpatient visit limit if 1 surgical visit per calendar year	None	Subject to outpatient visit limit of 1 surgical visit per calendar year
Office	\$15 per visit	Subject to office visit limit of 5 visits per calendar year for medical, surgical or preventive services performed in an office setting	\$ 20 co-pay per visit	Subject to office visit limit of 6 visits per calendar year for medical, surgical or preventive services performed in an office setting
Inpatient Visits	None	Inpatient stay must be covered	None	Inpatient stay must be covered
<i>Preventative Services</i>				
Adult Physical Exams	None	One adult physical exam per calendar year subject to 5 visit limit for medical, surgical or preventive services performed in an office setting; One well woman visit per calendar year subject to 5 visit limit	None	One adult physical exam per calendar year subject to 6 visit limit for medical, surgical or preventive services performed in an office setting; One well woman visit per calendar year subject to 6 visit limit
Pap smears	None	Included in one well woman visit per calendar year	None	Included in one well woman visit per calendar year
PSA	None	Included in one adult physical exam	None	Included in one adult physical exam per calendar year
Mammography	None	Included in one well woman visit per calendar year; mammograms performed in an outpatient setting subject to the outpatient visit limit of 2 non-surgical visits per calendar year	None	Included in one well woman visit per calendar year; mammograms performed in an outpatient setting subject to the outpatient visit limit of 2 non-surgical visits per calendar year
Immunizations/Vaccinations	None	Included in one adult physical exam per calendar year	None	Included in one adult physical exam per calendar year
Services Related to ER visit	\$ 25 co-pay per encounter for both emergent and non-emergent services	Limit to 2 ER visits per calendar year	\$ 25 co-pay per encounter for both emergent and non-emergent services	Limit to 2 ER visits per calendar year
<i>Diagnostic and Therapeutic Services</i>				
PCP visits	\$ 15 co-pay per visit	Subject to 5 visit limit per calendar year for office visits	\$ 20 co-pay per visit	Subject to 6 visit limit per calendar year for office visits
Specialist visit	\$ 15 co-pay per visit	Subject to 5 visit limit per calendar year for office visits	\$ 20 co-pay per visit	Subject to 6 visit limit per calendar year for office visits
Lab	None	Office visit must be covered for related lab work to be covered; does not count toward visit limit when performed separately from an office visit; office lab visits not covered after visit limit is met	None	Office visit must be covered for related lab work to be covered; does not count toward visit limit when performed separately from an office visit; office lab visits not covered after visit limit is met
Urgent Care	\$ 15 co-pay office visit; \$25 co-pay outpatient	Subject to 5 visit limit for office visits; subject to outpatient visit limit of 2 non-surgical and 1 surgical visit per calendar year	\$ 20 co-pay office visit; \$25 co-pay outpatient	Subject to 6 visit limit for office visits; subject to outpatient visit limit of 2 non-surgical and 1 surgical visit per calendar year

Services		BCBS TN InReach Plan A		BCBS TN InReach Plan B	
Hospital Care – Inpatient (Pre-authorization required)					
Medical	\$ 100 co-pay per admission	Subject to \$10,000 annual payment limit for medical and behavioral health services	\$ 100 co-pay per admission	Subject to \$15,000 annual payment limit for medical and behavioral health services	
Surgical	\$ 100 co-pay per admission	Subject to \$10,000 annual payment limit for medical and behavioral health services	\$ 100 co-pay per admission	Subject to \$15,000 annual payment limit for medical and behavioral health services	
Psychiatric	\$ 100 co-pay per admission	Subject to \$10,000 annual payment limit for medical and behavioral health services; inpatient psychiatric and substance abuse services limited to 5 days per year	\$ 100 co-pay per admission	Subject to \$15,000 annual payment limit for medical and behavioral health services; Inpatient psychiatric and substance abuse limited to 5 days per year	
Substance Abuse	\$ 100 co-pay per admission	Subject to \$10,000 annual payment limit for medical and behavioral health services; inpatient psychiatric and substance abuse services limited to 5 days per year; inpatient substance abuse services limited to medical detox only at a medical facility	\$ 100 co-pay per admission	Subject to \$15,000 annual payment limit for medical and behavioral health services; Inpatient psychiatric and substance abuse limited to 5 days per year; Inpatient substance abuse services limited to medical detox only at a medical facility	
Hospital Care – Outpatient					
Emergency Room	\$ 100 co-pay for non-emergent services	Limit to 2 ER visits per year	\$ 100 co-pay for non-emergent services	Limit to 2 ER visits per calendar year	
Medical	\$ 25 co-pay per visit	Subject to outpatient visit limit of 2 non-surgical visits per calendar year	\$ 25 co-pay per visit	Subject to outpatient visit limit of 2 non-surgical visits per calendar year	
Surgical Procedures	\$ 25 co-pay per visit	Subject to outpatient visit limit of 1 surgical visit per calendar year	\$ 25 co-pay per visit	Subject to outpatient visit limit of 1 surgical visit per calendar year	
Radiology	\$ 25 co-pay per visit	Subject to outpatient visit limit of 2 non-surgical visits per calendar year	\$ 25 co-pay per visit	Subject to outpatient visit limit of 2 non-surgical visits per calendar year	
Pathology	\$ 25 co-pay per visit	Subject to outpatient visit limit of 2 non-surgical visits per calendar year	\$ 25 co-pay per visit	Subject to outpatient visit limit of 2 non-surgical visits per calendar year	
Ambulance Service – Ground and other					
	None per emergent encounter	Limit to 2 trips per calendar year	None per emergent encounter	Limit to 2 trips per calendar year	
	None per non-emergency		None per non-emergency		
Radiology					
IP (Professional)	Included in \$100 co-pay per admission; no additional co-pay per encounter	Subject to \$10,000 annual payment limit for medical and behavioral health services	Included in \$100 co-pay per admission; no additional co-pay per encounter	Subject to \$15,000 annual payment limit for medical and behavioral health services	
OP (Professional)	Included in \$25 co-pay per visit; no additional co-pay per encounter	Subject to outpatient visit limit of 2 non-surgical and 1 surgical visit per calendar year	Included in \$25 co-pay per visit; no additional co-pay per encounter	Subject to outpatient visit limit of 2 non-surgical and 1 surgical visit per calendar year	
Office (Combined)	Included in \$15 co-pay per visit; no additional co-pay per encounter	Subject to 5 visit limit for office visits when performed in conjunction with an office visit; does not count toward visit limit when performed separately from office visit; office x-ray services are not covered after office visit limit is met	Included in \$20 co-pay per visit; no additional co-pay per encounter	Subject to 6 visit limit for office visits when performed in conjunction with an office visit; does not count toward visit limit when performed separately from office visit; office x-ray services are not covered after office visit limit is met	
Pathology					
IP (Professional)	Included in \$100 co-pay per admission; no additional co-pay per encounter	Subject to \$10,000 annual payment limit for medical and behavioral health services	Included in \$100 co-pay per admission; no additional co-pay per encounter	Subject to \$15,000 annual payment limit for medical and behavioral health services	
OP (Professional)	Included in \$25 co-pay per visit; no additional co-pay per encounter	Subject to outpatient visit limit of 2 non-surgical and 1 surgical visit per calendar year	Included in \$25 co-pay per visit; no additional co-pay per encounter	Subject to outpatient visit limit of 2 non-surgical and 1 surgical visit per calendar year	
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Prescription Drug					
	\$ 10 co-pay generic (30-day supply)	Subject to quarterly payment limit of \$250 (includes insulin, blood glucose monitors, blood glucose test strips, and generic drugs)	\$ 8 co-pay generic (30 day supply)	Subject to quarterly payment limit of \$75 (includes insulin, blood glucose monitors, blood glucose test strips, and generic drugs)	
	\$ 25 co-pay name brand (30 day supply)		\$ 25 copay name brand (30 day supply)		
Outpatient Behavioral Health					
Mental Health	\$ 25 co-pay per visit	Subject to behavior health visit limit of 10 visits per calendar year for mental health and substance abuse services	\$ 25 co-pay per visit	Subject to behavioral health visit limit of 10 visits per calendar year for mental health and substance abuse services	
Substance Abuse	\$ 25 co-pay per visit		\$ 25 co-pay per visit		
Maternity	Provided through CoverKids		Provided through CoverKids		

Services	BCBS TN InReach		BCBS TN InReach	
	Plan A		Plan B	
BENEFITS NOT REQUIRED BUT PROPOSED				
Chemotherapy	None	Subject to office visit limit of 5 visits per calendar year for medical, surgical or preventive services performed in an office setting	None	Subject to office visit limit of 6 visits per calendar year for medical, surgical or preventive services performed in an office setting
Radiation	None	Subject to office visit limit of 5 visits per calendar year for medical, surgical or preventive services performed in an office setting	None	Subject to office visit limit of 6 visits per calendar year for medical, surgical or preventive services performed in an office setting
Vision	\$ 15 co-pay per visit	Subject to office visit limit of 5 visits per calendar year for medical, surgical or preventive services performed in an office setting; medical benefit only; glasses or contacts following surgery limited to \$200 per year	\$ 20 co-pay per visit	Subject to office visit limit of 6 visits per calendar year for medical, surgical or preventive services performed in an office setting; medical benefit only; glasses or contacts following surgery limited to \$200 per year
PDN/Home Health Care	None	Subject to annual payment limit of \$500	None	Subject to annual payment limit of \$500
Hospice Care	None	Subject to annual payment limit of \$5000 for inpatient or outpatient services	None	Subject to annual payment limit of \$5000 for inpatient or outpatient services
Durable Medical Equipment	None	Subject to combined annual payment limit of \$500 for DME, prosthetics and medical supplies		
Prosthetics	None			
Medical Supplies	None			
Diabetic Supplies and Injectibles	None for meters; Strips subject to \$25 co-pay; Supplies subject to \$5 co-pay	Blood glucose monitors and test strips subject to \$250 per quarter payment maximum for pharmacy; Diabetic supplies subject to monthly payment limit of \$50; Diabetic supplies must be purchased through the pharmacy benefit to be covered	None for meters; Strips subject to \$25 co-pay; Supplies subject to \$5 co-pay	Meters and strips subject to \$75 per quarter payment maximum for pharmacy; Diabetic supplies subject to monthly payment limit of \$50; Diabetic supplies must be purchased through the pharmacy benefit to be covered
Reconstructive Breast Surgery	Inpatient included in \$100 co-pay per admission; outpatient visits included in \$25 co-pay for outpatient visit	Inpatient: subject to \$10,000 annual payment limit for inpatient medical and behavioral health services; Outpatient: subject to outpatient visit limit of 1 surgical visit per calendar year	Inpatient included in \$100 co-pay per admission; outpatient visits included in \$25 co-pay for outpatient visit	Inpatient: subject to \$15,000 annual payment limit for inpatient medical and behavioral health services; Outpatient: subject to outpatient visit limit of 1 surgical visit per calendar year
Other		All services subject to a payment maximum of \$25,000 per calendar year		All services subject to a payment maximum of \$25,000 per calendar year
*All co-pays are per visit/service unless otherwise specified				